



*Peggy*  
**Welch**

State Representative • District 60

## **Tax Cuts for Senior Citizens**

***May 10 Filing Deadline for Expanded  
Property Tax Cut***

Dear Friends,

I am writing to you about some important tax cuts that may affect you or someone you know. In 1999, the Indiana General Assembly approved tax cuts totalling \$672 million.

One of these tax cuts affects property taxes. We increased the property tax deduction for people 65 years of age and older from \$1,000 to \$2,000. We also expanded both the income limits and assessed valuation amounts that determine if a person qualifies for the deduction. We made these changes to increase the number of Hoosier seniors who will benefit from reduced property taxes.

To receive the deduction, a senior must have a maximum annual income of less than \$25,000 and own property with a maximum assessed valuation of less than \$23,000.

This new tax cut affects taxes due in May of this year. Eligible citizens must file an application with the county auditor by **May 10th** in order to receive the tax break. I encourage anyone who believes he or she may qualify under the new guidelines to contact the county auditor. Anyone who qualified in past years for the deduction does NOT have to re-apply.

In the 1999 and 2000 sessions, I introduced property tax legislation which would have given greater assistance to seniors. I am pleased that we provided some property tax relief for senior citizens and I remain committed to doing more in the future.

Most seniors also qualify for an additional Indiana income tax deduction which was increased from \$1,000 to \$1,500. Each qualified taxpayer may take this deduction—meaning married couples may now deduct \$3,000 from their Indiana adjusted gross income.

These tax cuts are just two of several measures approved by the Legislature over the past four years that are returning nearly \$1.5 billion to Hoosier taxpayers.

On the back of this postcard see details of other legislation important to senior citizens. Please feel free to contact me if you feel I may be of assistance to you about any of these matters.

Sincerely,

# Legislation Benefits Seniors

**\$20 Million for Prescription Drugs**—Health care was the top priority for the spending of the tobacco settlement funds. I strongly supported the provision to help seniors get the medications they need to maintain their health. Senior citizens on lower incomes should not have to choose between buying food or prescription drugs. This is a major issue of concern among older Hoosiers. Thanks to the bi-partisan cooperation between Democrats, Republicans, Representatives and Senators the legislation distributing the money from the national tobacco settlements will help prevent seniors from having to make that decision. The legislation signed by the Governor includes \$20 million to help low-income seniors purchase prescription drugs.

**CHOICE**—The CHOICE program makes it possible for many Indiana senior citizens to continue living in their homes, rather than having to leave their homes for nursing homes. Services of CHOICE include health care, home cleaning, nutrition, and transportation. In the 1999-2000 budget, we increased the annual funding for CHOICE to \$42.6 million. Unfortunately, there are still Hoosier seniors waiting to receive CHOICE services, and I am committed to helping eliminate this need.

**Long-Term Care**—Long-term care means more than just nursing homes. Long-term care also includes adult day services, in-home care, and assisted living. I have the privilege of serving on a commission that has been directed to study long-term care issues and produce proposed legislation. Your suggestions and input are needed to ensure that the other committee members and I do the best job possible for many of our most vulnerable citizens. Some legislation we have passed includes: first, seniors who are covered under Medicaid for their nursing home services are allowed a small amount of income each month for personal expenses, called a Personal Needs Allowance (PNA). The General Assembly enacted legislation which increased the PNA from \$35 to \$50 per month. Secondly, a new state income tax deduction was implemented for the amount of long-term health care insurance premiums. Thirdly, new Medicaid waivers were developed for long-term care solutions other than nursing homes.

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**Rep. Peggy Welch**  
**200 W. Washington Street**  
**Indianapolis, IN 46204**  
**Call toll-free: 1-800-382-9842**  
**R60@ai.org**

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